11. Socio-economic empowerment of Tribals/Rural Poor and Protection of Natural Resources in Tripura (Cost Rs. 202.11 crore): A project proposal prepared by Government of Tripura had been posed for German assistance. The Government of Federal Republic of Germany has committed a grant assistance of Euro 15 million in 2004.

Withdrawal of benefit to exporters under IT Act

2249. SHRI SURESH BHARDWAJ: Will the Minister of FINANCE be pleased to state:

(a) whether exporters were being given benefit under Section 80 HHC of Income-Tax Act while assessing the income tax;

(b) if so, whether Government have withdrawn the benefit; and

(c) whether Government are making the recoveries of the amount allowed to the exporters under the aforementioned provision of benefit; if so, how much amount has been recovered up to 31st December, 2004?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) and (b) Yes, Sir. Section 80HHC of the Income-tax Act provides for a deduction from the total income in respect of profits derived from the export of goods or merchandise, which are realised in convertible exchange. The benefit under section 80HHC has been withdrawn in a phased manner and no deduction is allowable under the said section for the assessment year 2005-06 and subsequent assessment years.

(c) There has been no recovery of amounts allowed to the exporters under section 80HHC where the deduction has been claimed by the assessee in accordance with the provisions of the section.

Merger of RRBs

2250. SHRI SURESH BHARDWAJ: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal to merge Regional Rural Banks with their sponsoring Banks;

(b) whether a Bankers' Committee constituted last year by Government